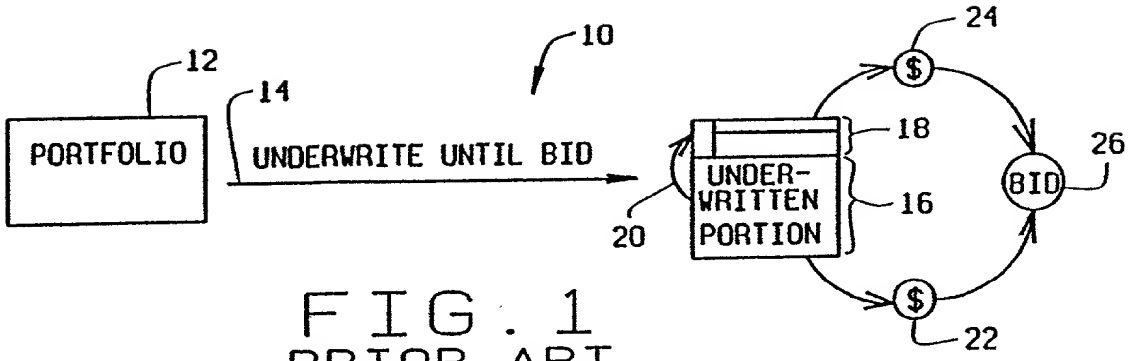


FIG. 1
PRIOR ART

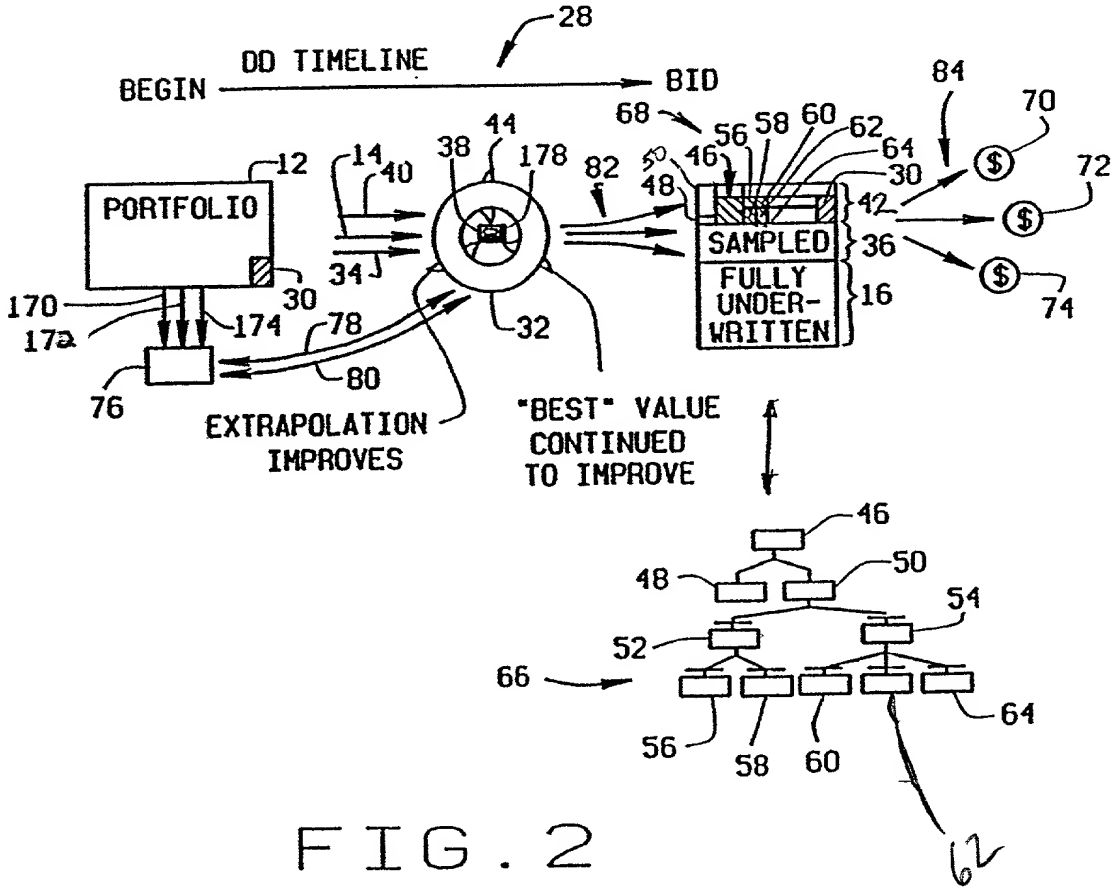
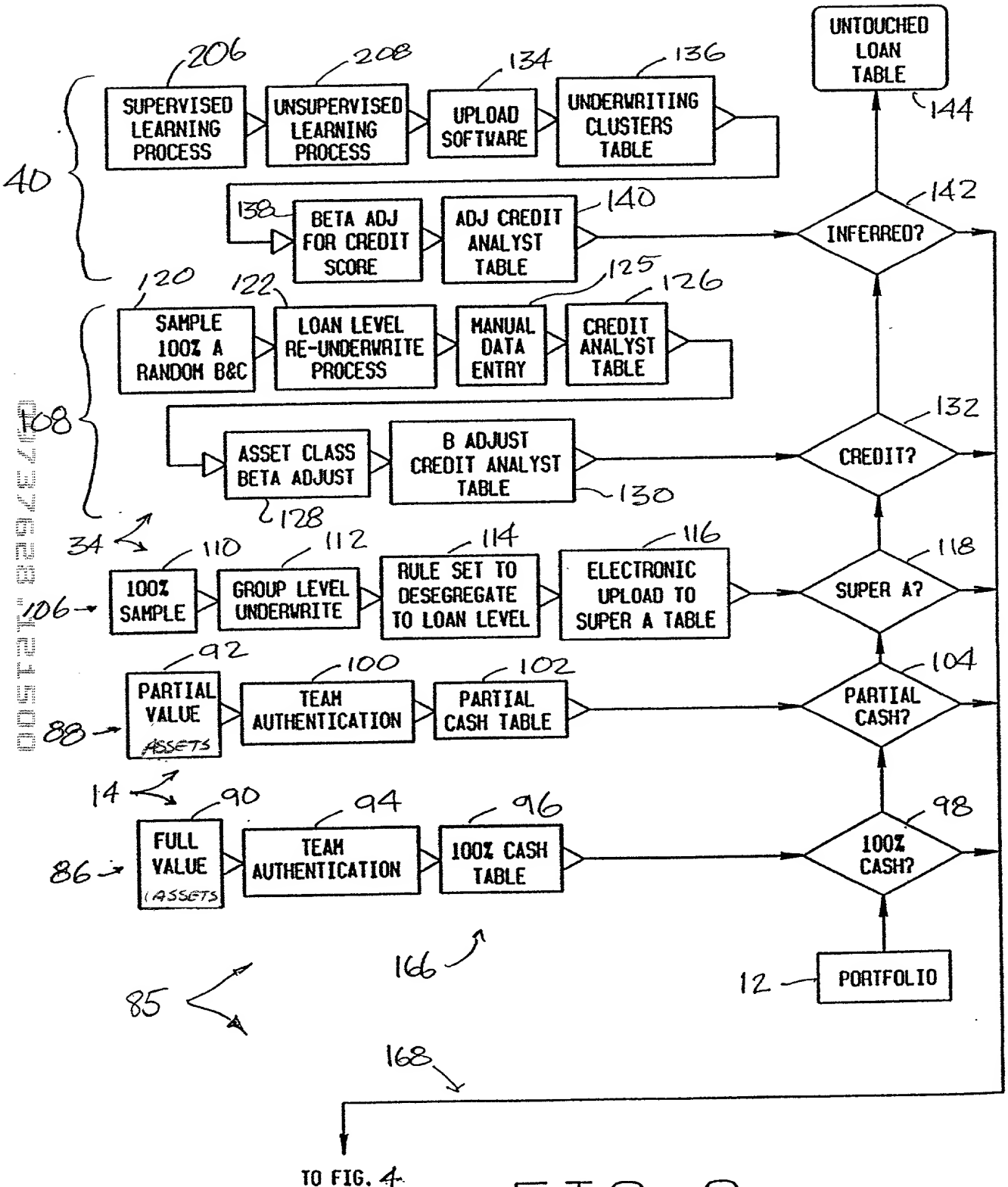


FIG. 2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UNSUPERVISED LEARNING PROCESS
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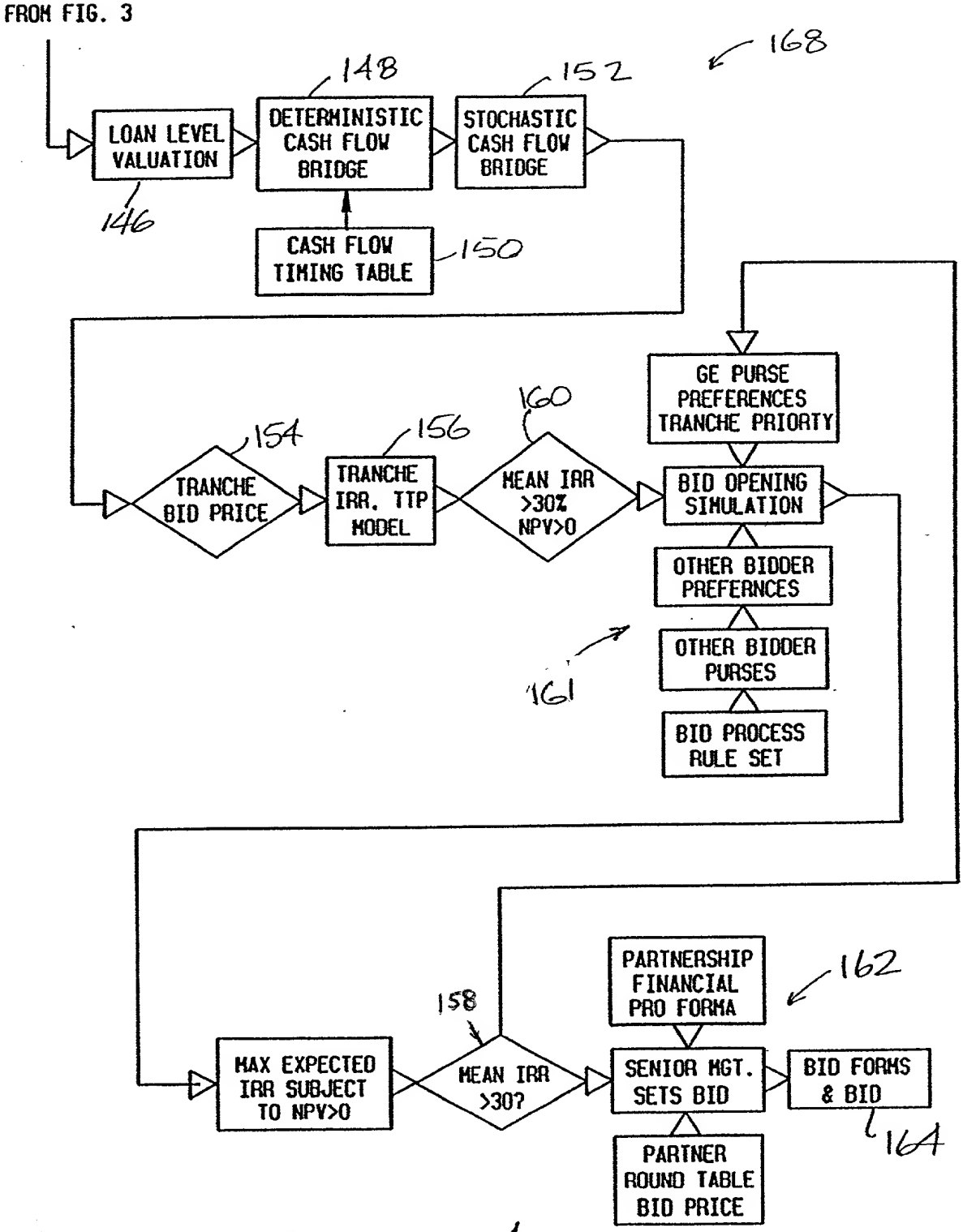
90
94
96
98
FULL VALUE (ASSETS)
TEAM AUTHENTICATION
100% CASH TABLE
100% CASH?
86
166
85
12
PORTFOLIO
168
TO FIG. 4

FIG. 3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146
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BID OPENING SIMULATION
OTHER BIDDER PREFERNCES
OTHER BIDDER PURSES
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158
MAX EXPECTED IRR SUBJECT TO NPV>0
MEAN IRR >30?
SENIOR MGT. SETS BID
BID FORMS & BID
164
PARTNER ROUND TABLE BID PRICE

FIG. 4

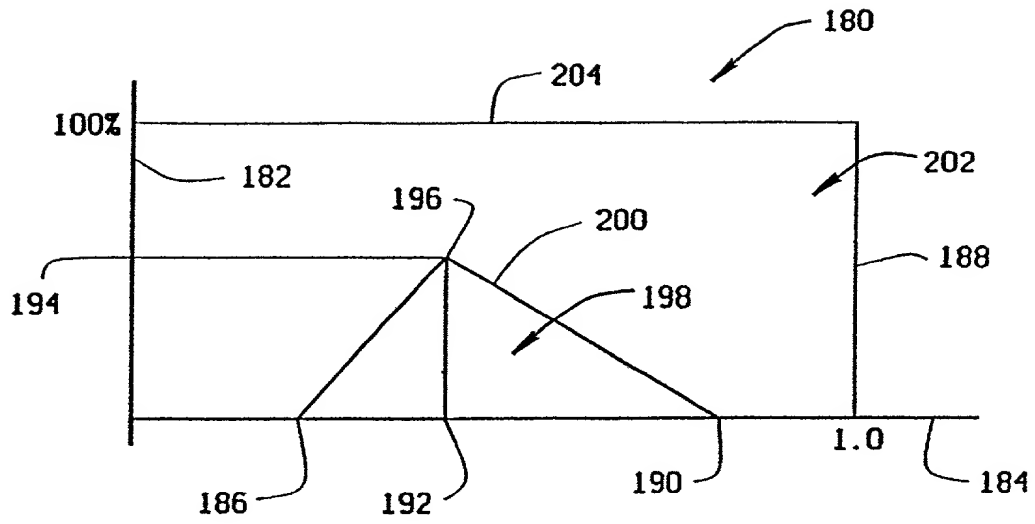


FIG. 5

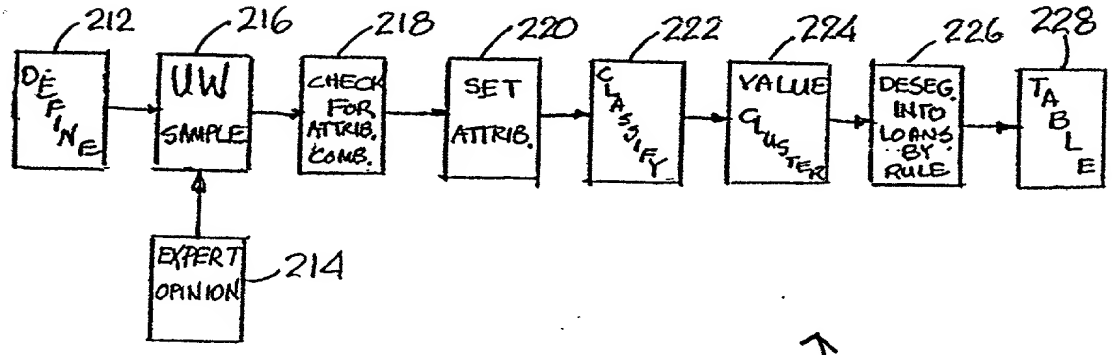
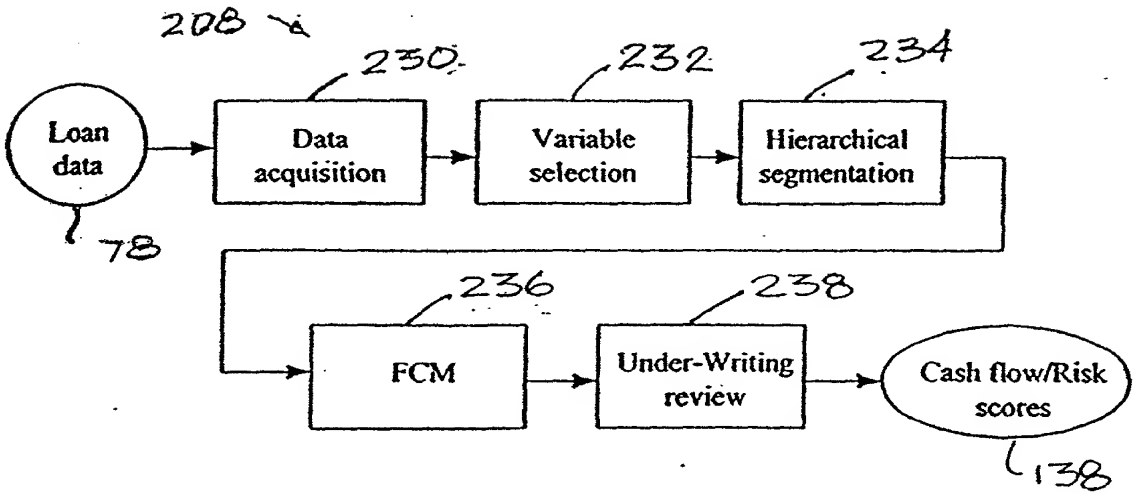


FIG. 6 210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234
Loan data
Data acquisition
Variable selection
Hierarchical segmentation
78
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238
FCM
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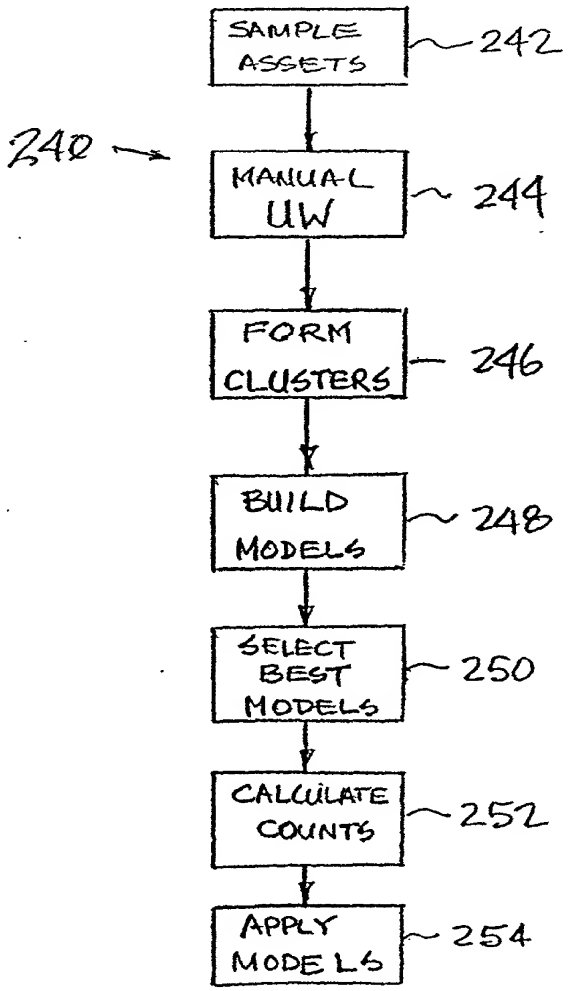
FIG. 7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244
FORM CLUSTERS
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BUILD MODELS
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SELECT BEST MODELS
250
CALCULATE COUNTS
252
APPLY MODELS
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FIG. 8

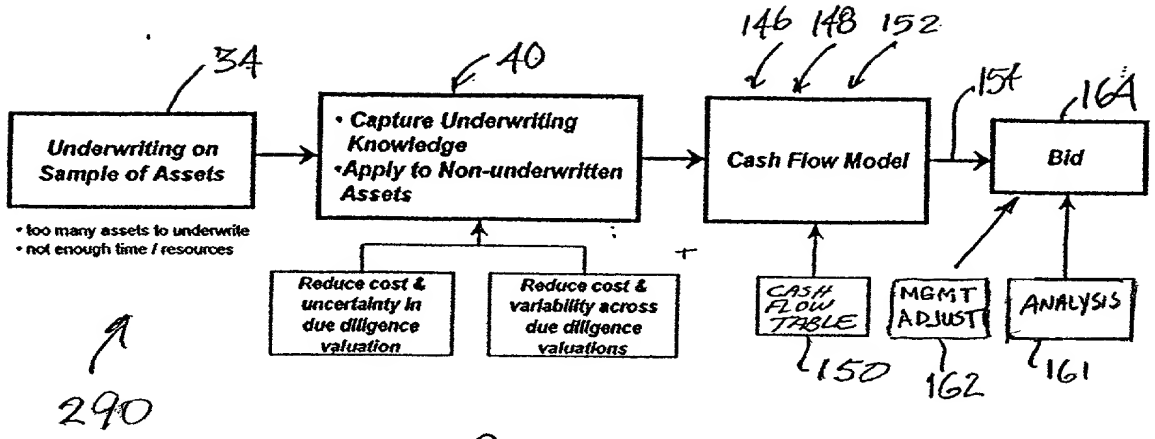

FIG. 9

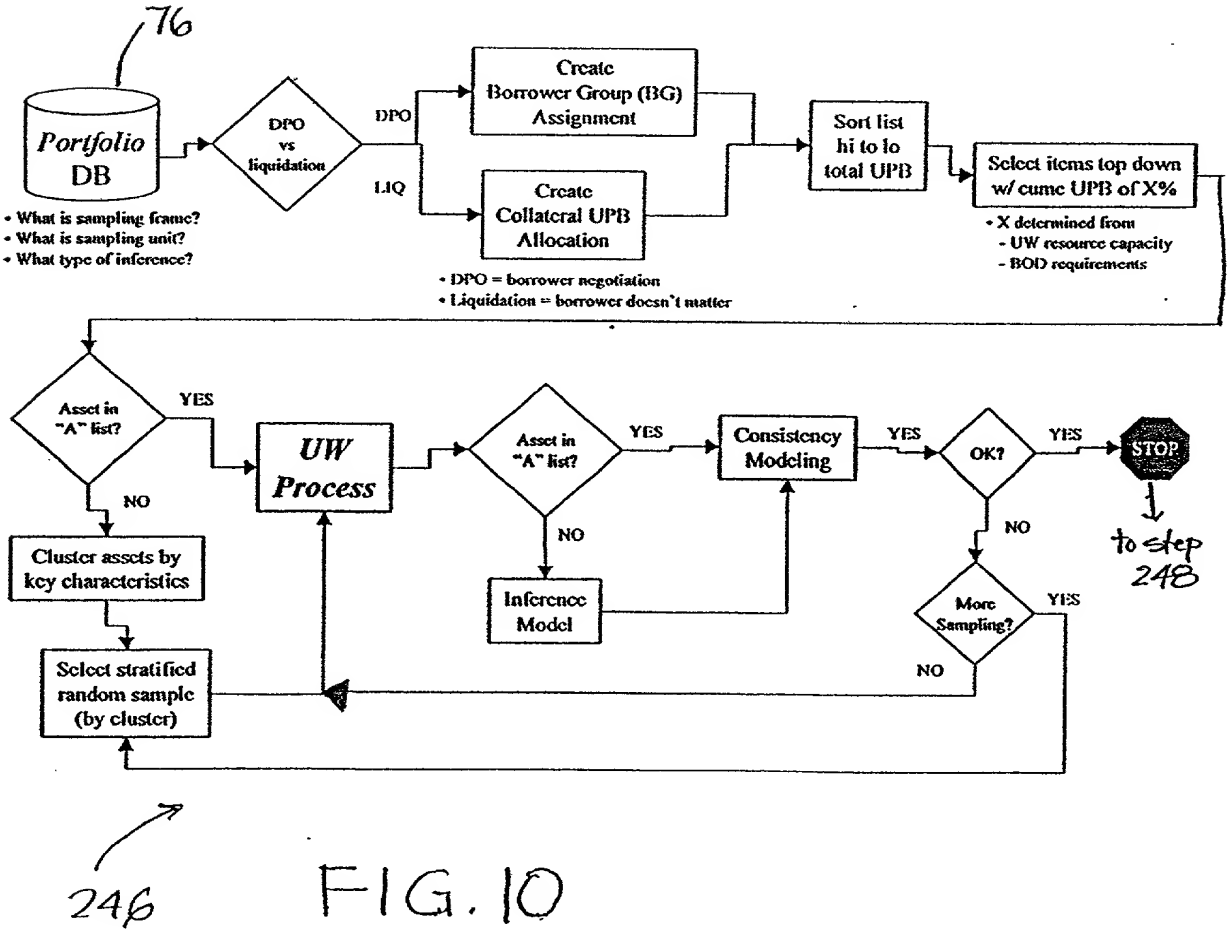

FIG. 10

DOCKET.ALARM.COM

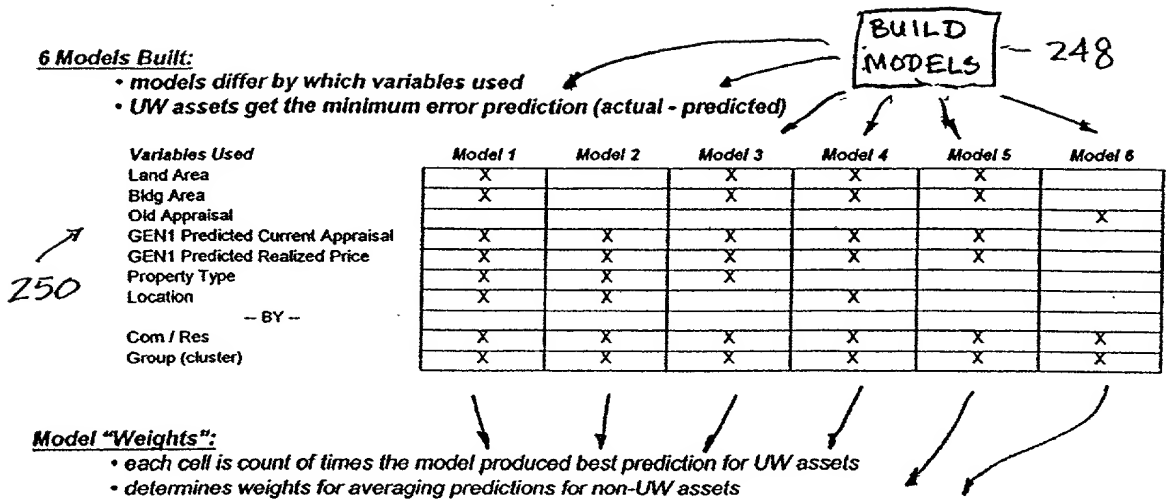

FIG. 11

Variable	Category/Value Range	Encoding Scheme
Loan secured	{Yes, No}	Yes = 1 else 0
Loan type	{Revolving, Non-revolving}	Revolving = 1 else 0
Last payment	[0, 250 MM]	0 if Last payment = 0 else 1
Notice of default sent		Prior to Jun 97 equals 1 else 0
Original maturity date		Prior to Jun 97 equals 1 else 0
Syndicated Loan	{Yes, No}	Yes = 1 else 0
Loan guaranteed	{Yes, No, NAV}	Yes = 1 else 0
Collection score	[0, 1]	
Lien position	{-1, 0, 1}	1 if Lien position = 1 else 0
Current unpaid balance/Original balance	[0, 2.9]	Normalized to [0, 1]
Last payment to Interest/Last payment	[0, 1]	

80

FIG. 12

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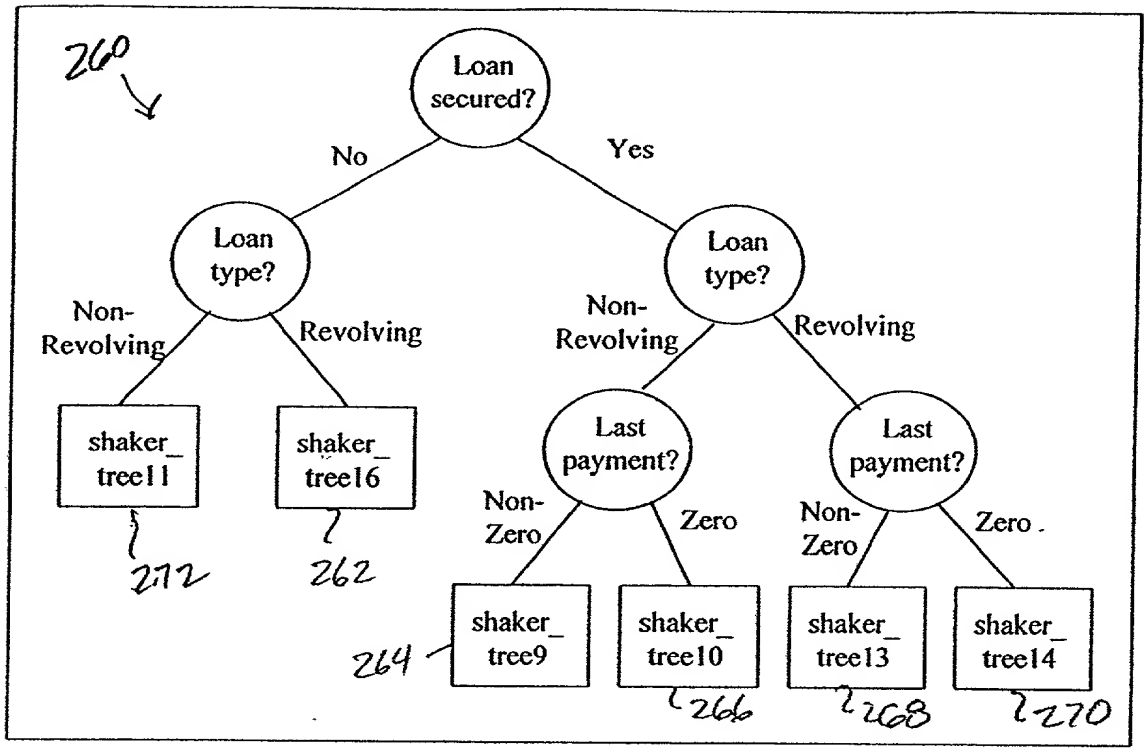
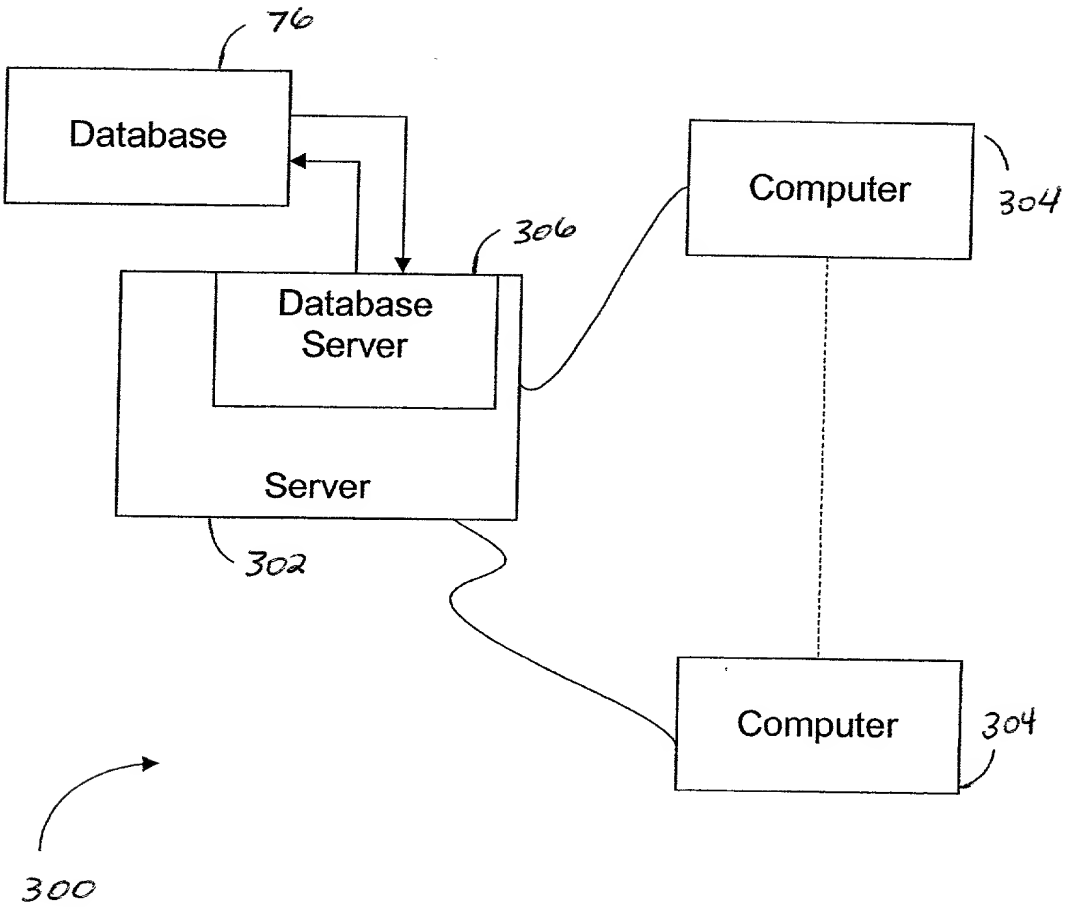

260
Loan secured?
No
Yes
Loan type?
Loan type?
Non-Revolving
Revolving
Non-Revolving
Revolving
shaker_ tree11
shaker_ tree16
Last payment?
Last payment?
Non-Zero
Zero
Non-Zero
Zero
shaker_ tree9
shaker_ tree10
shaker_ tree13
shaker_ tree14
272
262
264
266
268
270

FIG. 13

Figure 9



DOCKET ALARM